

Message Text

UNCLASSIFIED

PAGE 01 SEOUL 01317 240838Z

22

ACTION EA-09

INFO OCT-01 ISO-00 EB-07 /017 W

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R 240800Z FEB 76

FM AMEMBASSY SEOUL

TO SECSTATE WASHDC 5608

INFO USDA/FAS WASHDC

UNCLAS SEOUL 1317

FOR KENNETH STEPHENS FAS/W AND DUDLEY WILLIAMS FAS/W

E.O. 11652: N/A

TAGS: EAGR, EFIN, KS

SUBJ: PUNGHAN IND. CO. CREDIT

REF: STATE 036215

1. HAVE COMPLIED WITH INSTRUCTION CONTAINED PARA 3
REFTEL.

2. SWAK ADVISES THAT IT HAS SENT TELEX TO EARL BILLINGS,
EXEC V.P. OF ACSA ON BEHALF OF PUNGHAN ESSENTIAL POINTS
AS FOLLOWS:

A. PUNGHAN ASTONISHED THAT DISPUTE OVER PUNGHAN TO REMAIN
ON ACEA DEFAULT LIST.

B. PUNGHAN MAINTAINS THAT SUMITOMO IS IN DEFAULT BECAUSE
CONTRACT CALLS FOR SJ-1 COTTON AND SUMITOMO IS UNABLE
TO PROVIDE IT.

C. PUNGHAN CLAIMS SUMITOMO HAD WANTED TO WRITE SJ-2 OR
SJ-1 INTO ALL CONTRACTS FOR 1974/75 AND 1975/76 BUT THAT
PUNGHAN INSISTED AND SUMITOMO AGREED THAT ONLY SJ-1
BE PROVIDED. PUNGHAN CLAIMS TO HAVE DOCUMENTARY EVIDENCE AND
WITNESSES WHO WILL ATTEST TO THESE FACTS.

D. NONETHELESS, IN VIEW OF CONCERN EXPRESSED BY THE
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U.S. STATE DEPARTMENT AND IN THE HOPE OF AVERTING POSSIBLE

IMPLICATION UPON FELLOW-MILLS ON ACCOUNT OF THIS ISSUE,
PUNGHAN HAS ADVISED SWAK THEY ARE PREPARED TO INITIATE
APPROPRIATE ACTION TO CLEAR THE L/C ON PA 4009
PROVIDED ACEA ENSURES TO REMOVE PUNGHAN FROM ACEA'S SO-CALLED
DEFAULT LIST AND TO RECOGNIZE PUNGHAN'S LEGITIMATE RIGHT BEING
RESERVED ON THE DISPUTED CONTRACTS.

E. THE CONCESSION BY PUNGHAN, WHEN EFFECTED AS SET
FORTH IN D ABOVE, DOES NOT MEAN TO RETRACT THEIR DEMANDS
ON SALES PA 3076, PA 3077 AND PA 4012 WITH SUMITOMO TO SUPPLY
SJ-1 AS STIPULATED IN SUCH CONTRACTS UNLESS AMENDMENTS
TO SUCH CONTRACTS ARE DULY AGREED UPON BY PUNGHAN. PUNGHAN
IS PREPARED TO GO TO COURT ON THIS MATTER IF SUMITOMO DESIRES.
SNEIDER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
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Draft Date: 24 FEB 1976
Decaption Date: 01 JAN 1960
Decaption Note:
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Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Margaret P. Grafeld
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EO Systematic Review
04 MAY 2006

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Secure: OPEN
Status: NATIVE
Subject: PUNGHAN IND. CO. CREDIT
TAGS: EAGR, EFIN, KS, PUNGHAN IND CO
To: STATE
Type: TE
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